



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES

FOR IMMEDIATE RELEASE
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DHS ANNOUNCES CHANGES IN CHILD SUPPORT CALCULATION MODEL TENNESSEE TO SWITCH TO INCOME SHARES FORMULA

NASHVILLE, Tenn.— The Tennessee Department of Human Services is changing the method in which child support will be calculated. The department is moving away from the current flat percentage model to the income shares model.

“There is overwhelming support for DHS to move in this direction,” said DHS Commissioner Gina Lodge. “The department, working closely with the Child Support Guidelines Task Force, has studied this issue and determined it to be in the best interest of the children and parents of Tennessee.”

The new model considers both parents’ incomes explicitly. The income shares model seeks to allocate to the child the proportion of parental income estimated to have been spent on the child if the household were intact.

The department expects that for a great majority of cases, the income shares formula will not significantly change the amount of child support awards from those granted under the flat percentage model. For example, under the flat percentage model, which Tennessee currently uses, a non-custodial parent with two children making \$3,077 a month would pay \$784 a month in support. Using the Florida income shares model, which Tennessee is currently studying, that award would be \$787 a month. Under income shares, the custodial parent’s income of \$2,097 a month was explicitly taken into consideration when calculating the support award.

The income shares formula is perceived to be more equitable in rare cases where one parent has an extremely high income and the other earns a very low income. For example, in cases where a custodial parent of two earns \$7,500 a month and the non-custodial parent earns \$855 a month, the total dollars the child receives will not be decreased. However, the amount owed by the lower income parent would drop from \$235 a month under the current flat percentage model to \$175 a month under an income shares formula.

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DHS Child Support staff are working with the Child Support Guidelines Task Force in developing an income shares model for Tennessee. The department will hold public hearings across the state and hopes to have the new model in place in approximately six months.

For more information on the Child Support Program, visit the DHS website at:

<http://www.state.tn.us/humanserv/child-support.htm>

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